

A DECLARATORY RESOLUTION designating a "Residentially Distressed Area" under I.C. 6-1.1-12-1 for property commonly known as 601 Third Street.

WHEREAS, Petitioner has duly filed its petition dated October 22, 1991, to have the following described property designated and declared a "Residentially Distressed Area" under Division 6, Article II, Chapter 2 of the Municipal Code of the City of Fort Wayne, Indiana, of 1974, as amended, and I.C. 6-1.1-12.1, to wit:

E 57 FEET LOT 50 BOWSERVILLE ADDITION  
said property more commonly known as 601 Third Street.

WHEREAS, said project will be rehabilitated and rented out to low and moderate income persons; and

WHEREAS, the total estimated project cost is \$15,000 to \$20,000.00 ; and

WHEREAS, it appears that said petition should be processed to final determination in accordance with the provisions of said Division 6.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That, subject to the requirements of Section 6, below, the property hereinabove described as hereby designated and declared a "Residentially Distressed Area" under I.C. 6-1.1-21.1. Said designation shall begin upon the effective date of the Confirming Resolution referred to in Section 6 of this Resolution and shall continue for two (2) years thereafter. Said designation shall terminate at the end of that two year period.

SECTION 2. That upon adoption of the Resolution:

(a) Said Resolution shall be filed with the Allen



County Assessor;

(b) Said Resolution shall be referred to the Committee on Finance and shall also be referred to the Department of Economic Development Requesting a recommendation from said department concerning the advisability of designating the above designated area a "Residentially Distressed Area";

(c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the adoption and substance of this Resolution and setting this designation as a "Residentially Distressed Area" for public hearing;

(d) If this Resolution involves an area that has already been designated an allocation area under I.C. 36-7-14-39, then the Resolution shall be referred to the Fort Wayne Redevelopment Commission and said designation as a "Residentially Distressed Area" shall not be finally approved unless said Commission adopts a resolution approving the petition.

SECTION 3. That, said designation of the hereinabove described property as a "Residentially Distressed Area" shall apply to a deduction of the assessed value of real estate improvements.

SECTION 4. The County Commissioners will transfer ownership to Housing and Neighborhood Development Services, Inc. (HANDS). HANDS will then transfer ownership of the property to Robert Strahm, Jana Shellman and Robert Wright who will then rehabilitate the property and rent to low and moderate income tenants.

SECTION 5. The current year approximate tax rates for taxing units within the City would be:



1 (a) If the proposed project is not undertaken, the  
2 approximate current year tax rates for this site  
3 would be \$7.595561/\$100.

4 (b) If the proposed project is undertaken and no  
5 deduction is granted, the approximate current year  
6 tax rate for the sit would be \$7.595561/\$100 (the  
7 change would be negligible).

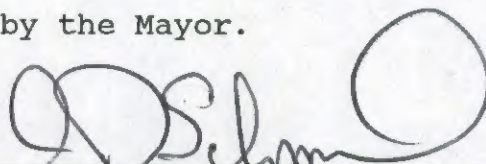
8 (c) If the proposed project is undertaken and a  
9 deduction of \$8,000 is assumed, the approximate  
10 current year tax rate for the site would be  
11 \$7.595561/\$100 (the change would be negligible).

12 SECTION 6. That this Resolution shall be subject  
13 to being confirmed, modified and confirmed or rescinded  
14 after public hearing and receipt by Common Council of the  
15 above described recommendations and resolution, if  
16 applicable.

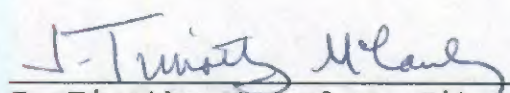
17 SECTION 7. Pursuant to I.C. 6-1.1012.1, it is  
18 hereby determined that the deduction from the assessed value  
19 of the new construction (or rehab) shall be for a period of  
20 5 years.

21 SECTION 8. The benefits described in the  
22 Petitioner's statement of benefits can be reasonably  
23 expected to result from the project and are sufficient to  
24 justify the applicable deductions.

25 SECTION 9. That this Resolution shall be in full  
26 force and effect from and after its passage and any and all  
27 necessary approval by the Mayor.

28   
29 Council member

30 APPROVED AS TO FORM  
31 AND LEGALITY

32   
J. Timothy McCaulay, City Attorney



Read the first time in full and on motion by \_\_\_\_\_, seconded by \_\_\_\_\_, and duly adopted, read the second time by title and referred to the Committee on \_\_\_\_\_ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Common Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, the \_\_\_\_\_, day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

DATED: \_\_\_\_\_

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Paul Helmke, seconded by Paul Helmke, and duly adopted, placed on its passage. PASSED ~~Lost~~ by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
TOTAL VOTES	<u>9</u>	_____	_____	_____
BRADBURY	<u>✓</u>	_____	_____	_____
BURNS	<u>✓</u>	_____	_____	_____
EDMONDS	<u>✓</u>	_____	_____	_____
GiaQUINTA	<u>✓</u>	_____	_____	_____
HENRY	<u>✓</u>	_____	_____	_____
LONG	<u>✓</u>	_____	_____	_____
REDD	<u>✓</u>	_____	_____	_____
SCHMIDT	<u>✓</u>	_____	_____	_____
TALARICO	<u>✓</u>	_____	_____	_____

DATED: 10-22-91.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ANNEXATION~~) (~~APPROPRIATION~~) (GENERAL) (~~SPECIAL~~) (~~ZONING MAP~~) ORDINANCE RESOLUTION NO. 09-62-91 on the 22nd day of October, 1991

ATTEST:

(SEAL)

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Samuel J. Talarico  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 23rd day of October, 1991, at the hour of 2:30 o'clock P.M., E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 1st day of November, 1991, at the hour of 11:45 o'clock PA M., E.S.T.

PAUL HELMKE  
PAUL HELMKE, MAYOR





## MEMORANDUM

---

TO: City Council Members

FROM: Barbara L. Jones, Administrator, H.A.N.D.S., Inc. *BJ*

SUBJECT: Tax Abatement Applications

DATE: October 22, 1991

### Background

This house is owned by the County Commissioners. Through the Tax Reversion process, title will be transferred to Robert Strahm, Jana Shellman and Robert Wright. These people will rehabilitate the property and lease it to a low and moderate income household.

### Reviewing Alternatives:

If the tax abatement is not granted, some low and moderate income households may not be able to afford to rent the property after rehabilitation. The house and the site will remain a blighting influence on the neighborhood. Rehabilitation of the property will make this site an asset to the neighborhood as well as provide affordable housing in the C&ED Community Development Area.

### Recommendation:

Staff recommends declaration and confirmation of the site as a Residentially Distressed Area to allow tax abatement.

BLJ:ys

SUMMARY SHEET AND H.A.N.D.S.,  
RECOMMENDATION FOR "RESIDENTIALLY DISTRESSED AREA" IN  
THE CITY OF FORT WAYNE, INDIANA

Name of Applicant Robert Strahm, Jana Shellman & Robert Wright  
Site Location: 601 Third Street  
Councilmanic District: 4th Current Zoning: R-2  
Nature of Project: Tax abatement request/Designation of "Residentially Distressed Area"

Project is located in the following:

	YES	NO
South Central Revitalization Project Area	<u>      </u>	<u>X</u>
Project Renew Area	<u>      </u>	<u>X</u>
City of Fort Wayne Community Development Area	<u>X</u>	<u>      </u>
Flood Plain	<u>X</u>	<u>      </u>
Urban Enterprise Zone	<u>      </u>	<u>X</u>

Description of Project:

House is owned by County Commissioners. Through the Tax Reversion process title will be transferred to individual who will rehabilitate the property then rent it to low and moderate income families.

Estimated Project Cost: \$ 15-20,000.00 # of Housing Units: 1

\*\*\*\*\*  
STAFF RECOMMENDATION

As stated per the established policy of the Department of Housing and Neighborhood Development Services, the following recommendations are hereby made:

1. Designation as a "Residentially Distressed Area" should be granted. Yes X No
2. Designation should be limited to a term of 2 year(s).
3. The period of deduction should be limited to 5 year(s).

COMMENTS:

None.

Staff: *Barbara Pines*

Date: 10/21/91

Director: *Jim Farnell*

Date: 10/21/91



APPLICATION TO THE CITY OF FORT WAYNE, INDIANA  
FOR DESIGNATION OF PROPERTY AS A  
"RESIDENTIALLY DISTRESSED AREA"  
AND STATEMENT OF BENEFITS

A. GENERAL INFORMATION

Applicant's Name: Robert B. Wright/Rob E. Strahm/Jana L. Shellman

Contact Person (if applicable): Any of above

Mailing Address: 1109 Commerce Bldg., 127 W. Berry,  
Fort Wayne, IN 46802

Phone Number: (219) 422-8800

Street Address of Property Proposed to be Designated:

601 W. Third Street, Fort Wayne, IN 46808

Real Estate Key Number of Property:

92-2231-0050

B. PROPERTY INFORMATION

Current owner of the property:

Allen County

If the current owner is not a unit of local government, has the property been through the county tax sale and not yet been redeemed? Explain:

Yes, not redeemed, time expired

Are there buildings currently on the property? Yes

If so, what type (residential/commercial, # of units, etc.)?

residential single family

What is the condition of the building/s?

In need of repair

Are any buildings on the property legally occupied? no

Are any buildings on the property subject to an Order to Repair or Demolish or other action by the Department of Neighborhood Code Enforcement? yes

C. PROJECT SUMMARY INFORMATION

Will this project include:

New construction           

Rehabilitation   x  

How many dwelling units will be built/rehabilitated?   1  

Will these units be:

Single family       1      

Two-family           

Three-family           

Four-family           

Over four units per dwelling?           

For owner-occupancy?       x      

For rental?       x      

What is the estimated total cost of the project?   \$15,000-\$20,000  

What is the estimated cost per unit?   \$15,000 - \$20,000  

What is the estimated sale price per unit (if for owner-occupancy)?   \$32,000 - \$35,000  

What is the estimated rent per unit (if for rental)?             
  \$350.00/mo



What other types of assistance will be provided to owners or renters (such as down payment assistance, Section 8 subsidies, etc.)?

---

---

	YES	NO
Is the project site solely within the city limits of Fort Wayne?	<u>X</u>	<u>  </u>
Is the project site within the floodplain?	<u>  </u>	<u>X</u>
Will the project require public improvements?	<u>  </u>	<u>X</u>
Sewer lines (not sewer hook-ups) _____		
Water lines (not water hook-ups) _____		
Road improvements (on right-of-way) _____		
Other _____		

D. ZONING INFORMATION

What is the existing zoning classification of the project site? R-1

What zoning classification does the project require? R-1

E. REAL ESTATE TAX INFORMATION

What is the current assessed value of the real estate?

Land \$ \_\_\_\_\_

Improvements \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

In what township is the project site located? Wayne



F. UNDESIRABILITY OF NORMAL DEVELOPMENT

What evidence can be provided that the property on which the project will be located "has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property"?

Neighborhood is deteriorating because of this property and several others nearby of a commercial nature, which nature of development detracts from the livability of the neighborhood. The renovation of this property will contribute to the betterment of the neighborhood as a whole.

---

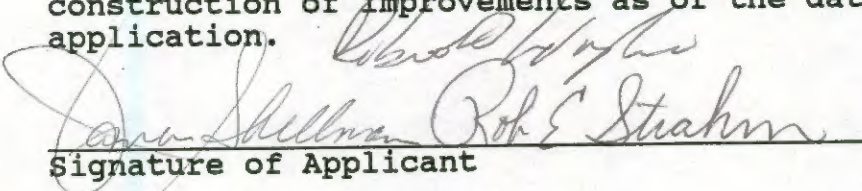
---

---

---

---

I hereby certify that the information and representation on this application and attached exhibits are true and complete. Further, it is hereby certified that no building permit has been issued for construction of improvements as of the date of filing of this application.

  
Signature of Applicant

10/21/91  
Date

Attachments:    Form SB-1  
                     Form 322 ERA





# STATEMENT OF BENEFITS

State Form 27187 (7-87)

Form SB-1 is prescribed by the State Board of Tax Commissioners (1987)

Confidential Statement: The records in this series are CONFIDENTIAL according to Indiana Code 6-1.1-35-9.

## INSTRUCTIONS: (I.C. 6-1.1-12.1) THIS PAGE TO BE COMPLETED BY APPLICANT

1. This statement must be submitted to the body designating the economic revitalization area BEFORE a person acquires new manufacturing equipment or begins the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. Effective July 1, 1987.
2. If a person is requesting the designation of an economic revitalization area, this form must be submitted at the same time the request is submitted.
3. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained before a deduction may be approved.
4. To obtain a deduction Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of (1) May 10 or (2) thirty(30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.

Name of Designating Body	County Allen
Name of Taxpayer Robert B. Wright/Rob E. Strahm/Jana L. Shellman	
Address of Taxpayer (Street, city, county) 1109 Commerce Bldg., 127 W. Berry Street, /Fort Wayne, IN 46802	ZIP Code 46802

## SECTION I: LOCATION, COST AND DESCRIPTION OF PROPOSED PROJECT

Location of property if different from above 601 W. Third Street, Fort Wayne, IN 46808	Taxing District
-------------------------------------------------------------------------------------------	-----------------

Cost and description of real property improvements and / or new manufacturing equipment to be acquired: Renovation of house, including, but not limited to new roof, new siding, new electrical, new plumbing, new heating, new plumbing fixtures, drywall, masonry.
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

(Attach additional sheets if needed)	Estimated Starting Date 11-1-91	Estimate Completion Date 6-1-92
--------------------------------------	------------------------------------	------------------------------------

## SECTION II: ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
1	\$15,000/yr	1	\$15,000/yr	5	unknown

## SECTION III: ESTIMATE TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS		MACHINERY	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current Values				
Plus estimated values of proposed project				
Less: Values of any property being replaced				
Net estimated values upon completion of project				

## SECTION IV: OTHER INFORMATION REQUIRED BY THE DESIGNATING BODY

--	--	--	--

I hereby certify that the representations on this statement are true.	Signatures of Authorized Representative		
Title	Date of Signature	Telephone Number	



**FOR USE OF DESIGNATING BODY**

**IMPACT ON THE CURRENT YEAR TAX RATE FOR THE TAXING DISTRICT INDICATED ABOVE**

Tax Rates Determined Using The Following Assumptions		Total Tax Rates
1.	Current total tax rate.	\$ 7.595561/#100
2.	Approximate tax rate if project occurs and no deduction is granted.	\$ 7.595561/#100
3.	Approximate tax rate if project occurs and a deduction is assumed.	\$ 7.595561/#100

Assume an 80% deduction on new machinery installed and / or a 50% deduction assumed on real estate improvements.

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2:

- A) The designated area has been limited to a period of time not to exceed 5 calendar years. *\*(See Below)*
- B) The type of deduction that is allowed in the designated area is limited to:
- 1) Redevelopment or rehabilitation of real estate improvements. ☒ Yes ☐ No
  - 2) Installation of new manufacturing equipment ☐ Yes ☒ No
  - 3) No limitations on type of deduction *(check if no limitations)* ☐ Yes ☒ No
- C) The amount of deduction applicable for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1987, is limited to \$ \_\_\_\_\_ cost with an \$ \_\_\_\_\_ assessed value.

Also we have reviewed the information contained in the statement of benefits including the impact on the tax rate incorporated herein, and have determined that the benefits described above can be reasonably expected to result from the project and are sufficient to justify the applicable deduction.

Approved: Signature of Authorized Member and Title

Date of Signature

Attested By:

Designated Body

If a commission council town board or county council limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under I.C. 6-1.1-12.1-4 or 4.5 Namely:

NEW MANUFACTURING EQUIPMENT		REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT			
		For Deductions Allowed Over A Period Of:			
Year of Deduction	Percentage	Year of Deduction	Three (3) Year Percentage	Six (6) Year Percentage	Ten (10) Year Percentage
1st	100%	1st	100%	100%	100%
2nd	95%	2nd	66%	85%	95%
3rd	80%	3rd	33%	66%	80%
4th	65%	4th		50%	65%
5th	50%	5th		34%	50%
6th and thereafter	0%	6th		17%	40%
		7th			30%
		8th			20%
		9th			10%
		10th			5%



Admn. Appr. \_\_\_\_\_

**DIGEST SHEET**

**TITLE OF ORDINANCE** Designation of "Residentially Distressed Area"  
Tax abatement for property located at 601 Third St.

**DEPARTMENT REQUESTING ORDINANCE** Housing and Neighborhood Development  
Services, Inc.

**SYNOPSIS OF ORDINANCE** This house is owned by the County Commissioners.  
Through the tax reversion process, title will be transferred to an individual  
who will rehabilitate the property and rent to low and moderate income tenants.  
If the location is designated a "Residentially Distressed Area" the property  
may be eligible for tax abatement thereby decreasing annual operating costs  
and consequently, keeping the rents affordable to low and moderate income  
families.

*Q-91-10-33*

**EFFECT OF PASSAGE** The prospective owner intends to rehabilitate the property.  
Tax abatement will decrease the annual operating costs and consequently the owner  
will be able to keep the rent affordable to low and moderate income families.

**EFFECT OF NON-PASSAGE** Some low and moderate income tenants will be unable  
to afford the rents after rehabilitation.

**MONEY INVOLVED (Direct Cost, Expenditures, Savings)** \_\_\_\_\_

**ASSIGNED TO COMMITTEE (PRESIDENT)** \_\_\_\_\_



BILL NO. R-91-10-33

REPORT OF THE COMMITTEE ON FINANCE

MARK E. GIAQUINTA, CHAIRMAN  
DONALD J. SCHMIDT, VICE CHAIRMAN  
BRADBURY, REDD, BURNS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS  
REFERRED AN (~~ORDINANCE~~) (RESOLUTION) designating a  
"Residentially Distressed Area" under I.C. 6-1.1-12.1 for property  
commonly known as 601 Third Street

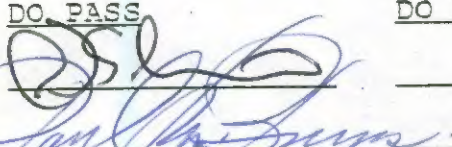
HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION  
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID  
(~~ORDINANCE~~) (RESOLUTION) \_\_\_\_\_

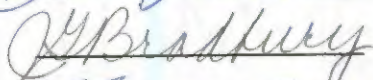
DO PASS

DO NOT PASS

ABSTAIN

NO REC







\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DATED: 10-22-91

Sandra E. Kennedy  
City Clerk